

Allowable Subject Matter

1. Claims 1-5,13,15,and 16 are allowed.
2. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with attorney Samson Helfgott 5/21/10.

EXAMINER'S AMENDMENT

Please amend the claims as follows;

Claim 1. (currently amended): A computer-implemented method for impounding escrow funds by an electronic funds processor (EFP) in a computer system from credit or debit card transactions of a merchant associated with a close[[-]]out period, the method comprising the steps of:

determining a first sales amount in the computer system EFP associated with one or more non-credit or non-debit card transactions of the merchant during the closeout period;

determining a second sales amount in the computer system EFP associated with one or more credit or non-debit card transactions of the merchant during the closeout period;

determining [[a first]] an escrow amount in the computer system EFP based on the first sales amount, wherein the [[first]] escrow amount is determined as one of:

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- (1) a predetermined percentage of one or more of the first and second sales amounts, and
- (2) a sum of a predetermined percentage of at least one of the first and second sales amounts,

and wherein said predetermined percentage comprises:

- (1) a merchant tax rate, and
- (2) an estimate for generating escrow funds sufficient to pay a predetermined sum from the one or more of the first and second sales amounts over a predetermined number of sales periods;

determining in the computer system EFP whether the second sales amount exceeds the [[first]] escrow amount;

crediting [[a second]] an escrow account with the [[first]] escrow amount in the computer system EFP when the second sales amount exceeds the [[first]] escrow amount; [[and]]

crediting a merchant account with an amount equal to the difference between the second sales amount and the [[first]] escrow amount;

determining a payable amount to be paid from the escrow account; and

debiting the payable amount from the escrow account,

wherein the payable amount is debited for payment to one or more of a local tax authority, a state tax authority, a federal tax authority, a judicial authority, a recipient of a legal judgment and a merchant.

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Claim 2. (currently amended): The method of claim 1, wherein the one or more non-credit or non-debit card transactions are cash transactions.

Claim 3. (currently amended): The method of claim 1, wherein one or more non-credit or non-debit card transactions are each facilitated using a payment instrument selected from the group consisting of personal checks, money orders, bank checks, travelers checks, gift checks, gift certificates, and cash.

Claim 4. (previously presented): The method of claim 1, comprising the additional steps of:

determining a payable amount to be paid from the first escrow account; and
debiting the payable amount from the first escrow account.

Claim 5. (currently amended): A computer-implemented method for impounding escrow funds by an electronic funds processor (EFP) in a computer system from credit or debit card transactions of a merchant associated with a close[[-]]out period, the method comprising the steps of:

determining a first sales amount in the computer system EFP associated with one or more taxable non-credit or non-debit card transactions of the merchant during the closeout period;

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determining a second sales amount in the computer system EFP associated with one or more taxable credit or debit card transactions of the merchant during the closeout period;

determining a third sales amount associated with one or more non taxable credit or debit card transactions of the merchant during the closeout period;

determining ~~[[a first]]~~ an escrow amount in the computer system EFP based on the sum of the first and second sales amounts, wherein the ~~[[first]]~~ escrow amount is determined as one of:

- (1) a predetermined percentage of one or more of the first and second sales amounts, and
- (2) a sum of a predetermined percentage of at least one of the first and second sales amounts,

and wherein said predetermined percentage comprises:

- (1) a merchant tax rate, and
- (2) an estimate for generating escrow funds sufficient to pay a predetermined sum from the one or more of the first and second sales amounts over a predetermined number of sales periods;

determining whether the sum of the second and ~~[[a]]~~ third sales amounts exceeds the ~~[[first]]~~ escrow amount;

crediting ~~[[a second]]~~ an escrow account with the ~~[[first]]~~ escrow amount when the sum of the second and third sales amounts exceeds the ~~[[first]]~~ escrow amount; ~~[[and]]~~

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crediting a merchant account with an amount equal to the difference between the sum of the second and third sales amounts and the [[first]] escrow amount;
determining a payable amount to be paid from the escrow account; and
debiting the payable amount from the escrow account,
wherein the payable amount is debited for payment to one or more of a local tax authority, a state tax authority, a federal tax authority, a judicial authority, a recipient of a legal judgment and a merchant.

Claims 6-12. (canceled).

Claim 13. (previously presented): The method of claim 5, wherein the predetermined percentage is increased over the merchant tax rate in order to facilitate payment of back taxes.

Claim 14. (canceled)

Claim 15. (currently amended): A computer-implemented method for impounding escrow funds by an electronic funds processor (EFP) in a computer system from sales transactions of a merchant associated with a close~~[-]~~out period, the method comprising the steps of:

determining a first sales amount in the computer system EFP associated with one or more sales transactions of the merchant during the closeout period;

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determining a second sales amount in the computer system EFP associated with one or more credit or debit card transactions of the merchant during the closeout period;

determining [[a first]] an escrow amount in the computer system EFP based on the first sales amount, wherein the [[first]] escrow amount is determined as one of:

- (1) a predetermined percentage of one or more of the first and second sales amounts, and
- (2) a sum of a predetermined percentage of at least one of the first and second sales amounts,

and wherein said predetermined percentage comprises:

- (1) a merchant tax rate, and
- (2) an estimate for generating escrow funds sufficient to pay a predetermined sum from the one or more of the first and second sales amounts over a predetermined number of sales periods;

determining whether the second sales amount in the computer system EFP exceeds the [[first]] escrow amount;

crediting [[a second]] an escrow account with the [[first]] escrow amount when the second sales amount exceeds the [[first]] escrow amount; [[and]]

crediting a merchant account with an amount equal to the difference between the second sales amount and the [[first]] escrow amount;

determining a payable amount to be paid from the escrow account; and

debiting the payable amount from the escrow account.

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wherein the payable amount is debited for payment to one or more of a local tax authority, a state tax authority, a federal tax authority, a judicial authority, a recipient of a legal judgment and a merchant.

Claim 16. (currently amended): A computer-implemented method for impounding escrow funds by an electronic funds processor (EFP) in a computer system from sales transactions of a merchant associated with a close[-]out period, the method comprising the steps of:

determining a first sales amount in the computer system EFP associated with one or more sales transactions of the merchant during the closeout period;

determining a second sales amount in the computer system EFP associated with one or more credit or debit card transactions of the merchant during the closeout period;

determining a plurality of escrow amounts based on the first sales amount, wherein each of the plurality of escrow amounts are determined as one of:

- (1) a predetermined percentage of one or more of the first and second sales amounts, and
- (2) a sum of a predetermined percentage of at least one of the first and second sales amounts,

and wherein said predetermined percentage comprises:

- (1) a merchant tax rate, and

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(2) an estimate for generating escrow funds sufficient to pay a predetermined sum from the one or more of the first and second sales amounts over a predetermined number of sales periods; determining in the computer system EFP whether the second sales amount exceeds the sum of the plurality of escrow amounts; and crediting one of a plurality of escrow accounts with [[each of the]] a corresponding one of the plurality of escrow amounts when the second sales amount exceeds the sum of the plurality of escrow amounts; [[and]] crediting a merchant account with an amount equal to the difference between the second sales amount and the sum of the plurality of escrow amounts; determining a payable amount to be paid from one of the plurality of escrow accounts; and debiting the payable amount from one of the plurality of escrow accounts, wherein the payable amount is debited for payment to one or more of a local tax authority, a state tax authority, a federal tax authority, a judicial authority, a recipient of a legal judgment and a merchant.

Reasons for Allowance

3. The following is an examiner's statement of reasons for allowance:

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

The most Relevant Patents and Patent Publications are:

US Patent 5644724 to Cretzler

US Patent 6993502 to Gryglewicz

US Patent 6889200 to Agee and

US Patent 6898573 to Piehl

The Most relevant Non-Patent Literature is:

No relevant non-patent literature was identified in an EIC NPL search.

The following non-patent literature is the most relevant NPL.

UK Auction Site Takes on Europe and ebay, John Lamb, Information Week, n809, pp.

68, Oct. 23, 2000

Louisiana Senate Passes Plan to Pay recovery district debt, Christopher McEntee,

Bond Buyer v. 316, n29915, p. 2, June 10, 1996

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Unmask the hidden costs of self-employment, Home Office Computing, V10, n6, p. 62-6, June 1992

Patent 5644724 to Cretzler teaches point of sale collection. Further

Patent 6993502 to Gryglewicz teaches tax collection is such that all sales can be collected according to legal guidelines.

US Patent 6889200 to Agee teaches a cash register with escrow capabilities.

US Patent 6898573 to Piehl is directed to escrowing contractor cash collections.

Tax collection is old and well known. For example US Patent 5644724 to Cretzler and US Patent 6889200 to Agee teaches tax collection utilizing point of sale devices such as a cash register. Purchasing using credit and debit cards is also well known according to Cretzler. Escrowing funds of funds for tax purposes is taught by US Patent 6898573 to Piehl.

Applicant has invented a system where sales tax amounts are collected by debiting a credit card collection account such that credit card receipts are escrowed so as to insure that the taxing authority collects all taxes due from all payment streams including those on cash. Thus, before the merchant can be credited for credit card receipts net of sales tax, the sales are reported and the taxes with-held only against credit card collections. The bank thus assists in the tax collection role and the merchant is relieved of the scenario where funds which were to be applied to tax payments are spent and not available at collection time.

UK Auction Site describes an auction with escrow features. Louisiana Senate Passes Plan to Pay Recovery District Debt teaches the general concepts of credit cards and escrow agents.

Unmask the hidden costs of self-employment discloses the concepts of self employment tax and the necessity of planning ahead by putting aside tax funds which are do so as to avoid unexpected shortfalls when quarterly payments are due.

In summary, neither the patent or non-patent literature disclose;

as disclosed in claim 1;

determining in the computer system EFP whether the second sales amount exceeds the [[first]] escrow amount;

crediting [[a second]] an escrow account with the [[first]] escrow amount in the computer system EFP when the second sales amount exceeds the [[first]] escrow amount; [[and]]

crediting a merchant account with an amount equal to the difference between the second sales amount and the [[first]] escrow amount;

determining a payable amount to be paid from the escrow account; and

debiting the payable amount from the escrow account,

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wherein the payable amount is debited for payment to one or more of a local tax authority, a state tax authority, a federal tax authority, a judicial authority, a recipient of a legal judgment and a merchant.”

Claims 5, 15, and 16 are similar but, the comparable claims are:

Claim 5: “determining whether the sum of the second and [[a]] third sales amounts exceeds the [[first]] escrow amount;

crediting [[a second]] an escrow account with the [[first]] escrow amount when the sum of the second and third sales amounts exceeds the [[first]] escrow amount; [[and]]

crediting a merchant account with an amount equal to the difference between the sum of the second and third sales amounts and the [[first]] escrow amount;

determining a payable amount to be paid from the escrow account; and

debiting the payable amount from the escrow account,

wherein the payable amount is debited for payment to one or more of a local tax authority, a state tax authority, a federal tax authority, a judicial authority, a recipient of a legal judgment and a merchant. “

Claim 15: “determining whether the second sales amount in the computer system EFP exceeds the [[first]] escrow amount;

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crediting [[a second]] an escrow account with the [[first]] escrow amount when the second sales amount exceeds the [[first]] escrow amount; [[and]]

crediting a merchant account with an amount equal to the difference between the second sales amount and the [[first]] escrow amount;

determining a payable amount to be paid from the escrow account; and

debiting the payable amount from the escrow account,

wherein the payable amount is debited for payment to one or more of a local tax authority, a state tax authority, a federal tax authority, a judicial authority, a recipient of a legal judgment and a merchant. “

Claim 16: “ determining in the computer system EFP whether the second sales amount exceeds the sum of the plurality of escrow amounts; and

crediting one of a plurality of escrow accounts with [[each of the]] a corresponding one of the plurality of escrow amounts when the second sales amount exceeds the sum of the plurality of escrow amounts; [[and]]

crediting a merchant account with an amount equal to the difference between the second sales amount and the sum of the plurality of escrow amounts;

determining a payable amount to be paid from one of the plurality of escrow accounts; and

debiting the payable amount from one of the plurality of escrow accounts,

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wherein the payable amount is debited for payment to one or more of a local tax authority, a state tax authority, a federal tax authority, a judicial authority, a recipient of a legal judgment and a merchant.”

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to BRUCE I. EBERSMAN whose telephone number is (571)270-3442. The examiner can normally be reached on 630am-5pm, Monday-Thursday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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